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TAGS: [PGOV](#) [ECON](#) [EAID](#) [PHUM](#) [KDEM](#) [IZ](#)
SUBJECT: MINISTER SAFA AL-SAFI LAUDS BASRAH RECONSTRUCTION,
FRUSTRATED WITH GOI-KRG TALKS

REF: BAGHDAD2014

Classified By: Political Counselor Yuri Kim for reasons 1.4 (b) and (d)

11. (C) Summary. Minister of State for Parliamentary Affairs Safi al-Safi told Poloffs he is proud of his management of Prime Minister Maliki's \$100 million reconstruction effort in Basrah province. Contrasting his efforts to the United Kingdom's "economic failure" in Basrah, he said over 80 percent of the funds have been distributed across 450 social welfare projects. Safi expressed relief that he is no longer the GOI representative in talks with the Kurds over disputed territory, calling negotiations with the KRG very frustrating. He predicted parliament will eventually accept a closed list national electoral system (despite Grand Ayatollah Sistani's preference for open lists), and warned that IHEC will receive close scrutiny when parliament returns to session on September 8. End summary.

Proud of His \$100m Basrah Aid Effort

12. (C) Recounting his work over the past few years, Safa al-Safi, the Minister of State for Parliamentary Affairs, acting Minister of Trade, and former acting Minister of Justice, told Poloffs on August 2 that he is especially proud of directing the \$100 million economic reconstruction effort in Basrah, his hometown, in the wake of the GOI's March 2008 security offensive there against militias. Safi reported that over 80 percent of GOI funds have been distributed across 450 social service projects, including refurbished schools and a new open air market. Safi boasted that his "mere" \$100 million had a great positive impact on Basrah, whereas (he claimed) the \$1.2 billion spent by United Kingdom from 2003-8 accomplished little except enrich contractors. Safi, complaining that the UK did "nothing" for Basrah economically, said the aid administered by Coalition Forces was inefficiently used or diverted because of corruption. (Comment: The British would note that much of their time in Basrah coincided with the period preceding the March 2008 security offensive, i.e., a period when religious militias controlled the city, severely limiting their movements and their ability to carry out and maintain physical projects. As a result, the UK-led PRT focused its efforts on capacity building. End comment.)

13. (C) Safi recalled that Prime Minister Maliki kept pushing for him to quickly spend the \$100 million, but he felt it wise to take time to carefully vet projects. Safi told Poloffs he purposefully kept the Coalition and the provincial government in the dark in order for his projects to be fully Iraqi-led and de-linked from political patronage. Safi appeared sensitive to the criticism he received last year for taking too long to approve and begin projects in Basrah. He agreed with Poloffs that assistance projects are essential in keeping militias off the streets and giving people confidence in their government.

14. (C) Safi welcomed continued U.S. partnership on

reconstruction projects. After meeting with many Americans in uniform over the years, he is looking forward to meeting more civilians and business representatives. He encouraged the U.S. to help wipe clean the "dark" memories of the British in Basrah by funding another symbolically significant project, such as the 'successful' U.S.-funded children's hospital. (Comment: It is encouraging to hear Safi refer to the Basrah Children's Hospital as a successful project, since the violence that kept the UK-led PRT off the streets also hampered construction efforts. The much-delayed opening of the hospital is now set for late this year. The U.S.-led PRT has many projects underway, but budget realities and shifts in priorities away from bricks and mortar projects mean the USG will not be launching any new projects like this hospital. End comment.)

Stepping Away from KRG-GOI Talks

15. (C) Safi expressed relief that he is no longer the GOI representative to the High Level Task Force (HLTF) responsible for negotiating with the Kurdistan Regional Government over disputed territories. Safi described the Kurds as "tough negotiators" who take a "maximalist position." He told Poloffs that dealing with the Kurds was very "frustrating" because they refused to alter their positions. Safi said he was doubtful future negotiations with the KRG would be fruitful.

Sistani Wants Open List Elections, I Want Closed

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16. (C) Safi acknowledged the difficulty in forging agreement in parliament on a new national election law. He said if this effort fails, election will still occur in January 2010 based on the 2005 law. Safi acknowledged that Grand Ayatollah Ali al-Sistani has expressed preference for an open-list electoral system (reftel). However, citing somewhat convoluted logic, Safi said he personally favors closed lists as they allow voters to select an entire slate of candidates, while an open list restricts voters to individual candidates. He predicted the parliament, with the private support of some party blocs, will eventually accept closed lists. He further stated that parliament, when it reconvenes on September 8, may question members of the Independent High Electoral Commission (IHEC) on how it will prevent electoral irregularities during the January vote.

Bio Note/Comment

17. (C) Safi is an ambitious politician. He is likely to tout his work in Basrah to gain a position in the next national government or even eventually the governorship of Basrah. Safi became animated when discussing his economic reconstruction efforts in Basrah and the UK's failure to develop the province; he showed a close emotional attachment to Basrah, his home city. His departure from the GOI-KRG task force may be a positive development given Safi's reputation for haughtiness and unwillingness to seek outside opinions. Poloffs experienced some of Safi's arrogance on professional matters but also found him warm and eager to joke. Safi speaks good English, but needs an interpreter on some technical words and idiomatic phrases. HILL